



COSTA MESA SANITARY DISTRICT **MINUTES OF BOARD OF DIRECTORS REGULAR MEETING** **FEBRUARY 12, 2004**

CALL TO ORDER

The Board of Directors of the Costa Mesa Sanitary District met in regular session on February 12, 2004, at 6:00 p.m. in Room 1-A of the Civic Center, 77 Fair Drive, Costa Mesa.

President Schafer called the meeting to order at 6:00 p.m.

PLEDGE OF ALLEGIANCE

Director Ferryman led the Pledge of Allegiance

INVOCATION

Director Woodside gave the invocation.

ROLL CALL

DIRECTORS PRESENT: Arlene Schafer, Greg Woodside, Art Perry, James Ferryman, Dan Worthington

DIRECTORS ABSENT: None

STAFF PRESENT: Robin Hamers, Manager/Engineer; Alan Burns, Legal Counsel; Tom Fauth, Assistant Manager; Joan Revak, Clerk of the District; Marc Puckett, Treasurer; Bobby Young, Finance; Ron Shef, District Ordinance Enforcement Officer; Debbie Bjornson, Permit Processing Specialist; Denise Gilbert, Permit Processing Specialist

OTHERS PRESENT: None

..... **CONSENT CALENDAR**

Ms. Revak reported an addition to the expense reimbursement report for Directors. Director Perry attended a meeting on January 28, 2004 at the Orange County Sanitation District.



Director Worthington suggested directing Staff to modify the expense report to provide room to document all the activities each Director participates in on the District's behalf, not just items where a stipend is received.

Director Ferryman motioned to approve the Consent Calendar as corrected. Director Woodside seconded. Motion carried 5-0.

REPORTS

MINUTE APPROVAL

Minutes of Recycling Committee Meeting, January 6, 2004	The Minutes of the Recycling Committee Meeting of January 6, 2004, were approved as distributed.
Minutes of Investment Oversight Committee Meeting, January 8, 2004	The Minutes of the Investment Oversight Committee Meeting of January 8, 2004, were approved as distributed.
Minutes of Regular Meeting, January 8, 2004	The Minutes of the Regular Meeting of January 8, 2004, were approved as distributed.
Minutes of Special Meeting, January 15, 2004	The Minutes of the Special Meeting of January 15, 2004, were approved as distributed.

MANAGER'S REPORTS

Refunds	In accordance with Resolution No. 96-584, adopted by the Costa Mesa Sanitary District on April 17, 1996, the following refunds were granted subsequent to receiving a signed statement from the applicants:
Refund request by Mark Michael Severns of \$1,557.02	Refund to: Mark Michael Severns Parcel Address: 201 E. 16 th Street Assessor's Parcel Number: 425-334-04 Trash Refund: \$1,557.02 Number of Units on Parcel: 4 Reason for Request: Owner using private trash service Refund for years: 2002/2003, 2003/2004



Occupancy Report and Payment of \$181,890.29 to Costa Mesa Disposal – February 2004

The Revised Trash Occupancy Count documented no increase or decrease for the occupancy report for solid waste collection as of February 1, 2004. Therefore, the total for February is 21,077.

Board directed Staff to prepare a warrant for \$181,890.29 to Costa Mesa Disposal on March 1, 2004, for payment for February trash collection based on the February count of 21,077.

Monthly Spill Report to Regional Water Quality Control Board (RWQCB)

The Monthly Spill Report to the Regional Water Quality Control Board (RWQCB) for January 2004 was accepted as submitted.

ENGINEER'S REPORTS

Project Status Report

The Project Status Report dated February 2004, was accepted as submitted.

TREASURER'S REPORTS

Financial Report as of January 31, 2004

The Financial Report as of January 31, 2004, was accepted as submitted.

Report of Monies on Deposit as of January 31, 2004

The Report of Monies on Deposit as of January 31, 2004, was received and filed.

Warrant 2004-08 for February 2004 in the amount of \$664,376.43

Warrant Resolution #CMSD 2004-08 was approved, authorizing the President and Secretary to sign the warrant and instructing the Treasurer to draw a warrant from the Costa Mesa Sanitary District General Fund in the amount of \$664,376.43.

Directors Expenses for the Month of January 2004

Director Expenses for the Month of January 2004 were ratified as follows:

Director Ferryman: \$510.00
Director Perry: \$1020.00
President Schafer: \$1020.00 + \$63.98
Vice President Woodside: \$680.00
Director Worthington: \$1020.00 + \$135.61



..... **END OF CONSENT CALENDAR.....**

WRITTEN COMMUNICATIONS

Ms. Revak reported Director Worthington and Mr. Fauth received a letter from Mr. Guy Erskine, Newport-Mesa Unified School District, dated January 16, 2004, thanking them for the vermicomposting presentation at Rea Elementary School. The package contained letters individually written by all Nature Center students. A representative letter was provided to the Board.

PUBLIC COMMENTS

There were no public comments made, no public in attendance.

MANAGER'S REPORTS

ANTI-SCAVENGING AND SCREENING OF TRASH CONTAINERS ENFORCEMENT REPORTS

POLICE REPORT

Mr. Hamers presented a memorandum providing the scavenging statistics for January 2004 as follows:

Location	Calls for Service	Cite/Arrest
Area I	0	0
Area II	1	0
Area III	3	0
Area IV	0	0
TOTAL	4	0

DISTRICT ORDINANCE ENFORCEMENT OFFICER REPORT

Mr. Hamers presented the ordinance enforcement summary report for the five-week period beginning December 22, 2003 and ending January 25, 2004.

Mr. Shef's summary report contained the following information:

- 25 flyers given to residents and 5 containers oversprayed and ID tagged.
- Visited two multifamily dwelling sites – one to ascertain feasibility of CMSD standardized containers and the other to determine whereabouts of existing CMSD standardized containers from the complex slated for demolition.
- Letters being generated and sent to residents with two or more courtesy notices to serve as a final notification prior to issuance of citation.



CMSD STRATEGIC PLAN

YEAR 2004/2004 ACTION ITEMS

Mr. Hamers presented the 2003/2004 Strategic Planning Action Items.

SEPARATION OF ADMINISTRATIVE STAFF FROM CITY

Mr. Hamers reported a special meeting is scheduled for February 23, 2004 at 6:00 p.m. and confirmed attendance.

Director Woodside motioned to receive and file the Strategic Plan. Director Perry seconded. Motion carried 5-0.

RECYCLING REPORTS

WASTE DIVERSION REPORT – JANUARY 2004

The Waste Diversion Report for January showing a diversion rate of 50.11 was presented to the Board.

Director Ferryman motioned to receive and file the Waste Diversion Reports for January. Director Woodside seconded. Motion carried 5-0.

CONTRACT PAYMENT TO CR TRANSFER FOR RECYCLING SERVICES AND DISPOSAL

PAYMENT FOR JANUARY 2004 SERVICES

Director Ferryman motioned to approve contract payment to CR Transfer for recycling services and disposal for the month of January 2004, in the amount of \$163,965.36. Director Woodside seconded. Motion carried 5-0.

COSTA MESA DISPOSAL REQUEST FOR FULLY-AUTOMATED SERVICE AND PRESENTATION OF MASTER PLAN

Mr. Hamers reported he received a letter from CR & R proposing fully-automated service. Mr. Hamers suggested a special meeting to discuss the proposal and Master Plan.

A special meeting was set for Monday, March 29, 2004 at 6:00 p.m.



PURCHASE OF ADDITIONAL STANDARDIZED CONTAINERS

Mr. Fauth discussed the purchase of additional standardized containers. The existing inventory is nearly depleted and requires replenishment to service the needs of residents. Mr. Fauth recommended the purchase of 300 90-gallon units and 300 60-gallon units. The cost will be \$31,581.

Discussion was held regarding the future charge to residents for additional containers. Mr. Fauth reported new developers are being charged for containers. The Board requested an accounting of fees paid by developers for new containers.

Mr. Hamers recommended that, as part of the Master Plan, the variable rate structure that will be discussed by Costa Mesa Disposal is one of the steps that needs to be taken. Director Ferryman suggested discussion regarding residents upgrading to larger sized containers.

Director Ferryman motioned to approve the purchase of additional standardized containers, not to exceed \$31,581. Director Woodside seconded. Motion carried 5-0.

CITY OF COSTA MESA/CMSD/MCWD LIAISON MEETING

Mr. Hamers reported the liaison meeting with the City of Costa Mesa, Costa Mesa Sanitary District, and MCWD has been cancelled numerous times recently. Significant staff time is involved in setting up the meetings. President Schafer suggested setting the meetings with the understanding that the meeting will be held, even if some participants cannot attend.

CLOSED SESSION WITH REAL PROPERTY NEGOTIATORS PURSUANT TO GOVERNMENT CODE SECTION 54956.8

PROPERTY: 628 W. 19th Street, Costa Mesa, California

AGENCY NEGOTIATORS MAY INCLUDE: Arlene Schafer, Jim Ferryman, Rob Hamers, Tom Fauth, Alan Burns, Joan Revak, and Mark Puckett

NEGOTIATING PARTIES: Cheong Lee Family LLC

UNDER NEGOTIATION: Price and Terms of Purchase

Mr. Burns suggested the topic be moved to the end of the meeting.

Director Ferryman motioned to move the closed session to the end of the meeting. Director Perry seconded. Motion carried 5-0.



RECYCLING COMMITTEE – MONDAY, FEBRUARY 9, 2004 - 9:00 A.M., CR-5A DIRECTORS
WORTHINGTON AND PRESIDENT SCHAFER

STRATEGIC PLANNING 2004 – PUBLIC OUTREACH – CLASSROOM RECYCLING PROJECTS

Director Worthington reported a presentation at Killybrooke School was cancelled. Director Worthington hopes to schedule additional presentations for the year.

COSTAMAZING – DISTRICT PARTICIPATION

Ms. Revak reported the CostaMazing event went very well. Pepper Tree packets and videotapes were distributed at the event.

Ms. Revak gave some Pepper Tree packets to the Historical Society.

2003 SCHOOL TELEPHONE BOOK RECYCLING PROGRAM

Director Worthington reported the 2003 School Telephone Book Recycling Program has ended with another successful collection. A total of 16,155 books (32.31 tons) were collected. Kline school won for the elementary category, TeWinkle won for middle school, and Estancia won again for the high school competition. A total of \$10,239 will be distributed to the schools.

There has been a total of 125,000 books, (250 tons) collected since the inception of the program in 1996 with schools receiving a total of \$71,000.

2003 CHRISTMAS TREE RECYCLING PROGRAM

Director Worthington reported the 2003 Christmas Tree Recycling Program recycled 9,126 trees (118.63 tons). The City of Costa Mesa reimbursement request totaled \$5,913.70.

RECYCLING DRY CELL BATTERIES

Director Worthington reported CR Transfer currently separates batteries from the trash with their magnetic system. Since a large percentage of batteries are currently being removed from the waste stream, Costa Mesa Sanitary District will not pursue a program at this time.



ENGINEER'S REPORTS

WASTE DISCHARGE REQUIREMENTS – (WDR)

GENERAL UPDATE

Mr. Hamers provided a brief report on the current status.

Mr. Burns reported the model grease ordinance is nearly ready for distribution.

RECONSTRUCTION OF 19TH STREET SEWER MAIN

DEPOSIT OF A MAXIMUM OF \$20,000 TO CITY OF COSTA MESA FOR INCLUSION OF WORK WITH CITY PROJECT

Mr. Hamers reported the City of Costa Mesa requested and was given a set of construction plans to lower the sewer line at 19th Street west of Anaheim Avenue to avoid interference with a new storm drain line the City is designing on Anaheim Avenue.

Director Perry motioned to ratify the work done by the District Engineer in preparation of the construction plans for the City and approve a deposit to the City of Costa Mesa for inclusion of work with City project, not to exceed \$20,000. Deposit to be held until the City delay has been resolved. Director Ferryman seconded. Motion carried 5-0.

PROGRESS REPORT – PROJECT #101 WESTSIDE PUMPING STATION ABANDONMENT

Mr. Hamers provided an update as requested by Director Woodside at the January 2004 regular meeting. The project goal is to abandon six Westside Costa Mesa Sanitary District pumping stations. The project was reprioritized by OCSD due to the bankruptcy and change in management personnel.

Director Ferryman spoke to OCSD Manager, Blake Anderson, and received a commitment to reconsider the project.

District Staff met with OCSD Staff on two occasions to discuss the improvement. The current estimate of cost to OCSD is \$2 million.

Both OCSD and the Costa Mesa Sanitary District are exchanging sewer plans and atlas sheets to further study the College Pump Station. After completion of their independent work, the two Staffs will meet again to discuss both projects and come closer to a staff recommendation for each agency.



Director Woodside motioned to accept the report. Director Perry seconded. Motion carried 5-0.

TREASURER'S REPORTS

STATE BUDGET UPDATE

Mr. Puckett provided an update on the State Budget and its potential impact on the Costa Mesa Sanitary District. Mr. Puckett provided a number of handouts to the Board and will provide additional reports as more information is gathered.

ATTORNEY'S REPORTS

433 WALNUT PLACE AGREEMENT – AGREEMENT WITH PROPERTY OWNER

Mr. Burns reported no agreement was reached regarding the indemnification of the District. Mr. Burns reported it would not be in the District's best interest to agree to the terms the property owner is requesting.

Director Perry directed Mr. Burns and Mr. Hamers to reconfirm the District's position regarding the 433 Walnut Place Agreement and to respond as deemed proper for protection of the District. Director Woodside seconded. Motion carried 5-0.

RESOLUTION No. 2004-679 ORDERING THAT PUBLICATION OF ORDINANCE No. 44 AMENDING THE DISTRICT'S OPERATIONS CODE WITH RESPECT TO SEWER AND TRASH CHARGE EXEMPTIONS AND REFUNDS HAS OCCURRED

Mr. Burns introduced Resolution No. 2004-679, A RESOLUTION OF THE BOARD OF DIRECTORS OF THE COSTA MESA SANITARY DISTRICT ORDERING THAT PUBLICATION OF ORDINANCE NO. 44 AMENDING THE DISTRICT'S OPERATIONS CODE WITH RESPECT TO SEWER AND TRASH CHARGE EXEMPTIONS AND REFUNDS HAS OCCURRED.

Director Woodside motioned to adopt Resolution No. 2004-679. Director Ferryman seconded. Motion carried 5-0.



LOCAL MEETINGS

ORANGE COUNTY SANITATION DISTRICT (OCSD)

REGULAR MEETING – JANUARY 28, 2004 (DIRECTOR FERRYMAN)

Director Ferryman attended the January 28, 2004 meeting and reported the following:

- Recommendation requested regarding undercharging/overcharging
- Director Ferryman went to Washington D.C. with Jim Silva to ask the Congressional Delegation to request \$10 million for secondary treatment facilities
- Picture of Costa Mesa town center skyline presented to Congressman Dana Rohrabacher

SANTA ANA RIVER FLOOD PROTECTION AGENCY

MEETING – JANUARY 22, 2004

Director Perry and Director Ferryman attended the January 22, 2004 Santa Ana River Flood Protection Agency and reported they discussed funding for the Prado Dam. Director Ferryman distributed photographs of the completion to date. Director Ferryman stated the project required \$25 million and only \$18 million was received. Additional funds were borrowed from other projects, but there isn't enough to continue the project for the entire year. Director Ferryman projected the project has an additional 3 months of funding.

Director Ferryman reported they discussed Prado Dam funding while in Washington D.C. and stated no one wants to see the project stop.

INDEPENDENT SPECIAL DISTRICTS OF ORANGE COUNTY (ISDOC)

President Schafer reported the Executive Board meeting was held on February 3, 2004, and they discussed the following:

- CSDA update
- Legislation in Sacramento involving Special Districts
- General ISDOC meeting will be April 29, 2004
- Ken Lee from LAFCO will make an update presentation on MSR's



LOCAL AGENCY FORMATION COMMISSION (LAFCO)

President Schafer attended the February 11, 2004, LAFCO meeting and reported they will discuss the following:

- Dana Smith resignation
- Search for new Executive Officer
- Bob Aldrich interim Executive Officer

CHAMBER OF COMMERCE

MEMBERSHIP INVESTMENT FOR 04/01/04 TO 04/01/05 IN THE AMOUNT OF \$380

Director Woodside motioned to pay membership fees to the Costa Mesa Chamber of Commerce in the amount of \$380. Director Perry seconded. Motion carried 5-0.

CALIFORNIA SPECIAL DISTRICTS ASSOCIATION (CSDA)

President Schafer reported her recent involvement with CSDA has occurred via e-mail. President Schafer provided a list of legislative bills for the Board's perusal. A conference call is scheduled for Friday, February 13, 2004 for CSDA board members.

President Schafer reported receiving a thank you letter from Catherine Smith, Executive Director, California Special Districts Association, for the \$250 financial contribution to assist in offsetting the costs associated with formulating, drafting, and research efforts for a statewide ballot initiative.

SPECIAL DISTRICT GOVERNANCE ACADEMY

President Schafer introduced the brochure for the upcoming Special District Governance Academy. Discussion was held regarding attendance.

Director Worthington requested Ms. Revak check which sessions he has attended to date.

CALIFORNIA ASSOCIATION OF SANITATION AGENCIES (CASA)

CONFERENCE – JANUARY 21-24, 2004 IN PALM SPRINGS ATTENDED BY PRESIDENT SCHAFFER AND DIRECTOR WORTHINGTON

President Schafer and Director Worthington attended the CASA conference in Palm Springs, January 21-24, 2004, at the Hilton Palm Springs Hotel. Director



Worthington reported the meeting was very informative and was impressed with how much information could be gathered from the organization.

MEMBERSHIP IN CASA

Mr. Puckett suggested inquiring as to the term the membership covers and requesting prorating of dues, if applicable. Ms. Revak will inquire.

Director Woodside motioned to approve membership in California Association of Sanitation Agencies (CASA) in the amount not to exceed \$2,870.77, with memo written by Staff to inquire about prorating the dues. Director Ferryman seconded. Motion carried 5-0.

Director Worthington reported the next meeting will be in May in Squaw Valley and the final for the year in August in Monterey.

OLD BUSINESS

Mr. Fauth reported on the citation issued to 174 The Masters Circle for resistance to comply with Costa Mesa Sanitary District trash collection ordinances. The arraignment has been postponed to March 4, 2004. Mr. Burns reported a deputy district attorney has been assigned to the case.

NEW BUSINESS

There was no new business discussed.

ORAL COMMUNICATIONS AND DIRECTOR COMMENTS

There were no oral communications.

President Schafer convened the meeting to Closed Session at 7:54 p.m.



CLOSED SESSION

CLOSED SESSION WITH REAL PROPERTY NEGOTIATORS PURSUANT TO GOVERNMENT CODE SECTION 54956.8

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NEGOTIATING PARTIES: Cheong Lee Family LLC

UNDER NEGOTIATION: Price and Terms of Purchase

The meeting reconvened at 9:03 p.m.

The team was given authority to negotiate.

ADJOURNMENT

At 9:05 p.m., President Schafer adjourned the meeting.

SECRETARY

PRESIDENT